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STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

January 12, 2007

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 06OD-001

Oahu

Approval in Principle of an Acquisition of Private Lands for State Park Reserve, Pupukea-Paumalu, Koolauloa, Oahu, Tax Map Keys: (1) 5-9-05:38 & 82 and (1) 5-9-06:01, 18 & portion 24; and After-the-Fact Approval to Apply for a Coastal and Estuarine Land Conservation Program Grant Administered by National Oceanic & Atmospheric Administration

APPLICANTS:

Department of Land and Natural Resources, Division of State Parks; and

The Trust for Public Land

PRIVATE LANDOWNER:

Current private owner of the above referenced property is Obayashi Corporation, a foreign corporation, whose mailing address is 725 Kapiolani Boulevard, Honolulu, Hawaii 96813.

The Trust for Public Land (TPL), a foreign nonprofit corporation, whose mailing address is 116 New Montgomery Street 4th Floor, San Francisco, California 94105, has entered into a purchase and sale agreement to acquire the subject land.

LEGAL REFERENCE:

Sections 107-10, 171-11 and 171-30, Hawaii Revised Statutes, as amended.

LOCATION:

Privately-owned lands situated at Pupukea-Paumalu, Koolauloa, Oahu, identified by Tax Map Keys: (1) 5-9-05:38 & 82 and (1) 5-9-06:01, 18 & portion 24 as shown on the attached tax maps labeled Exhibits A-1 and A-2.

AREA:

TMK	Est. Land Area
(1)5-9-05:38	518.84 ac.
:82	.52 ac.
(1)5-9-06:01	13.95 ac.
:18	107.98 ac
:24 por.*	±462.27 ac.
Total	±1,103.56 ac.

* Subject to subdivision approval pursuant to Exhibit B.

ZONING:

TMK	State Land Use	City and County of Honolulu Land Use Ordinance
(1)5-9-05:38	Agricultural	Ag-2, General Agricultural/ Country
82	Agricultural	Country
(1)5-9-06:01	Agricultural	P-2 General Preservation
18	Agricultural	P-2 General Preservation
24	Agricultural/ Urban	P-2 General Preservation/ R-5 Residential

CURRENT USE:

Research indicates in 1993 the City and County of Honolulu Department of Planning and Permitting issued Building Permit 331061 to Obayashi Hawaii Corp for TMK (1) 5-9-05:38. Accordingly, records indicate that a 4,800-square foot structure was completed in 1994. Inspection of the subject site has found the warehouse structure associated with a previous plant nursery to be of metal construction and in relatively good condition.

However, the site inspection also uncovered numerous vehicles and other large debris abandoned on the site. Obayashi, the current landowner, has retained Tetra Tech to remove the abandoned vehicles and debris, at no cost to the State.

CONSIDERATION:

One-time payment in the amount of (1) the amount of funding available to the State for the acquisition; (2) the agreed upon sales price between TPL and Obayashi; or (3) the fair market value as determined by an independent appraiser contracted by the State, pursuant to Section 171-30(e), HRS, whichever of the three amounts is least. Said appraisal shall be subject to review and approval by the Chairperson, Department of the Attorney General, and all organizations providing federal funding to the State for the proposed acquisition.

PURPOSE:

State Park Reserve.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board requires the use of federal and State funds to acquire property that is to be set aside to State Parks for control and management as a park reserve. Therefore, pursuant to Item 9, Exemption Class 1 of the Exemption List for the State of Hawaii, Department of Land and Natural Resources, Division of State Parks, as reviewed and concurred upon by the Environmental Council (Docket 91-EX-1), dated December 4, 1991, which reads "Acquisition, but not improvement, of property for park use, and minor subdivision and consolidation of parcels necessary for acquisition of property for park use", this action is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements.

APPLICANT REQUIREMENTS:

State Parks shall be required to:

- 1) Pay for the appraisal cost to determine the value of the property to be acquired;

Trust for Public Land shall be required to:

- 1) Process and obtain subdivision approval at no cost to the State, subject to review and approval by the Department and the Department of the Attorney General;
- 2) Provide survey maps and descriptions for the privately-owned property according to State DAGS standards and at no cost to the State;
- 3) Obtain a title report for the privately-owned property at Applicant's own cost and subject to review and approval by the Department and the Department of the Attorney General;
- 4) Pay for and conduct a Phase I environmental site assessment and, if this Phase I identifies the potential for hazardous materials release or the presence of hazardous materials, conduct a Phase II environmental sampling and analysis plan and perform any and all remediation, abatement and disposal as may be warranted and as satisfactory to the standards required by the Federal Environmental Protection Agency and/or the State Department of Health, all at no cost to the State and to the satisfaction of the Department;
- 5) Address any/all concerns to the satisfaction of the Department and the Department of the Attorney General.

REMARKS:

The Department of Land and Natural Resources, Division of State Parks ("State Parks") is requesting the Board of Land and Natural

Resources ("BLNR") to approve in principle the acquisition of approximately 1,103.56 acres of land, situate at Pupukea-Paumalu, Koolauloa, Island of Oahu. Subject site is further identified by Tax Map Keys: (1) 5-9-05:38 & 82 and (1) 5-9-06:01, 18 & por. 24, generally depicted on the attached tax maps labeled Exhibits A-1 and A-2 and on the survey map labeled Exhibit B.

In 1994 the current owner, Obayashi Corporation ("Obayashi"), obtained State land use and zoning amendments from the State Land Use Commission ("LUC") and City & County of Honolulu ("C&CH"), respectively. These amendments were to provide for the proposed residential development commonly referred to as Lihi Lani. In exchange for granting the requested entitlements, both the LUC and C&CH placed substantial conditions on future development, some of which were required to be satisfied by December 31, 2001. Conditions of significance include:

- Dedication of 6.5 acres to the C&CH, together with infrastructure, for development of an 80-unit elderly rental affordable housing project;
- Development of 50 on-site single-family affordable housing units;
- Payment of \$1,000,000 (in 1995 dollars) to C&CH for affordable housing construction after 157 County zoned units are sold; and
- Conveyance of land and \$4.7 million (1995 dollars) in development/construction funds for a YMCA, playing fields, etc.

Despite successfully entitling its land, Obayashi subsequently elected to forego development and began marketing its property in 2002. However, in response to the north shore community's concerns that the subject could be developed by other parties, Trust for Public Land ("TPL") proposed to acquire the entire 1,129 acres from Obayashi and convey the same to the State for park purposes.

State Parks has no plans or appropriations for planning purposes. Moreover, surveys indicate that the site has few significant archaeological resources and limited environmental value due to previous agricultural land uses. Nonetheless, State Parks recognizes the open space and scenic values of the site that may provide future opportunities for passive park uses such as hiking, tent camping, picnicking, etc. Moreover, keeping the area undeveloped or in passive use will also provide a buffer area to existing military training facilities in the area.

Accordingly, at its meeting of January 13, 2006, BLNR amended agenda item E-1, by adding:

"Approve State Parks' application for the LWCF grant funds totaling \$688,891 and authorize an appraisal for the acquisition of 1,129 acres at Pupukea-Paumalu."

This amendment was adopted at TPL's urging to expedite the State's procurement of an independent appraisal covering the 1,129-acre site by deadlines imposed on TPL. Accordingly, an independent appraisal of the 1,129-acre site was completed and approved by the Department in April 2006.

Despite complying with TPL's request to procure said independent appraisal, the State was subsequently informed that pursuant to C&CH's request, a portion of TMK (1) 5-9-06:24 ("Parcel 24") along Kamehameha Highway would be subdivided out for TPL to convey directly to C&CH. A copy of the letter from C&CH is attached as Exhibit C.

Based on a survey map provided to DLNR (Exhibit B), the proposed C&CH portion of land is approximately 25.93 acres. Consequently the State is being allowed to acquire the remaining $\pm 1,103.56$ acres. Therefore, the State's appraisal report is no longer relevant and a second independent appraisal is needed to determine the fair market value of the revised site.

In response to funding concerns discussed below, TPL has recently requested the State instruct an independent appraiser to consider different valuation scenarios, which will provide TPL some flexibility when considering how it eventually intends to convey the $\pm 1,103.56$ acres to the State. In order to provide TPL with the flexibility it needs, State Parks has agreed to pay for the additional work as requested by TPL, subject to BLNR approval.

Despite the combined efforts of DLNR and Department of the Attorney General ("DAG") to proceed with the proposed acquisition, preliminary analysis has raised several concerns, three of which are discussed below:

Funding: At the urging of TPL, State Parks applied for the aforementioned \$688,891 Land Water Conservation Fund ("LWCF") grant as well as a \$1,978,000 Conservation and Estuarine Land Conservation Program ("CELCP") grant, which are administered by National Park Service ("NPS") and National Oceanic & Atmospheric Administration ("NOAA"), respectively.

In both grant applications it was represented that a total of \$2,000,000 in State and City monies were available as matching funds for the federal grants. Based on these applications, funds in the above amounts are currently obligated to the State's acquisition of Pupukeya-Paumalu by the respective agencies.

Accordingly, the Governor released the \$1,000,000 appropriation for the proposed acquisition on April 3, 2006 (Exhibit D).

Whereas the C&CH now intends to use its \$1,000,000 to acquire the fee simple interest in the 25.93-acre portion of Parcel 24, only the State's \$1,000,000 is available as a match for both grants.

Moreover, despite TPL's urging to apply for the LWCF and CELCP grants and representations made at the time, State Parks subsequently has had numerous discussions with NOAA and NPS representatives. Based on these discussions, State Parks has become aware of grant requirements and limitations on park development that may make these grants incompatible. State Parks is not aware of these two funding sources being previously used together successfully.

Based on the foregoing State Parks is requesting:

- (1) Confirmation from NPS and NOAA that the State's \$1,000,000 CIP and the use of potential land value donations are appropriate matches for the LWCF and CELCP grants applied for; and
- (2) Confirmation from NOAA and NPS that use of these two grants are in fact compatible for the Pūpūkea-Paumalu acquisition.

Access: Legal access to the mauka portion of the site is provided by a private road through the adjacent residential subdivision and a government road, portions of which are aligned though the adjacent Boy Scouts' campsite.

Despite community support for the proposed acquisition, future public use of the subject roadways may lead to inadvertent roadside parking within the residential subdivision, which may result in future community objections. Moreover, increased traffic along the government road through the existing Boy Scouts' campsite has raised additional liability concerns.

Based on the foregoing, State Parks has indicated it would prefer a less intrusive realignment of the government road alongside, rather than through, the Boy Scouts' campsite, or alternatively adequate access.

Liability: The site being proposed for conveyance to the State includes steep cliff face areas adjacent to privately-owned parcels, some of which are developed with residential dwellings or have zoning which may allow for future development. Consequently, staff concerns include potential liability exposure due to possible rock fall/landslide hazards as they may impact private lands below.

To address this concern, staff has requested the assistance from Commission of Water Resource Management's geologist to help determine if an independent assessment would be appropriate, and if so an appropriate scope of work for such an assessment.

Notwithstanding these concerns, BLNR's approval in principle will allow due diligence and discussions between TPL and the State to continue. Upon completion of said due diligence and discussions, staff will present the results of all studies, agreements, etc. to the BLNR for their consideration prior to final documentation of the proposed acquisition.

Finally, despite Governor's approval to apply for and expend federal grants for the land acquisition at Pupukea-Paumalu (Exhibit E), BLNR is requested to authorize, after the fact, State Parks to apply for the aforementioned \$1,978,955 CELCP grant to help fund the State's proposed acquisition.

RECOMMENDATION: That the Board:

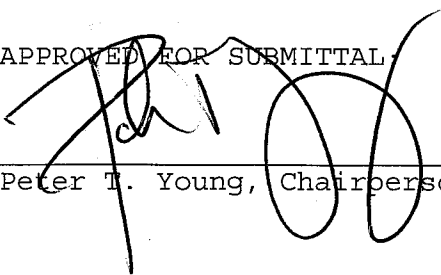
1. Approve in principle the above-described land acquisition under the terms and conditions cited above which are by this reference incorporated herein, provided that the details of the proposed acquisition shall be submitted to the Board for final approval prior to documentation;
2. Authorize Department of Land and Natural Resources, State Parks Division to apply for a Coastal and Estuarine Land Conservation Program grant administered by the National Oceanic and Atmospheric Administration, after-the-fact; and
3. Authorize the Chairperson to prescribe other terms and conditions as may be necessary to carry out the intent of the Board and to best serve the interests of the State.

Respectfully Submitted,



Gavin Chun
Project Development Specialist

APPROVED FOR SUBMITTAL



Peter T. Young, Chairperson

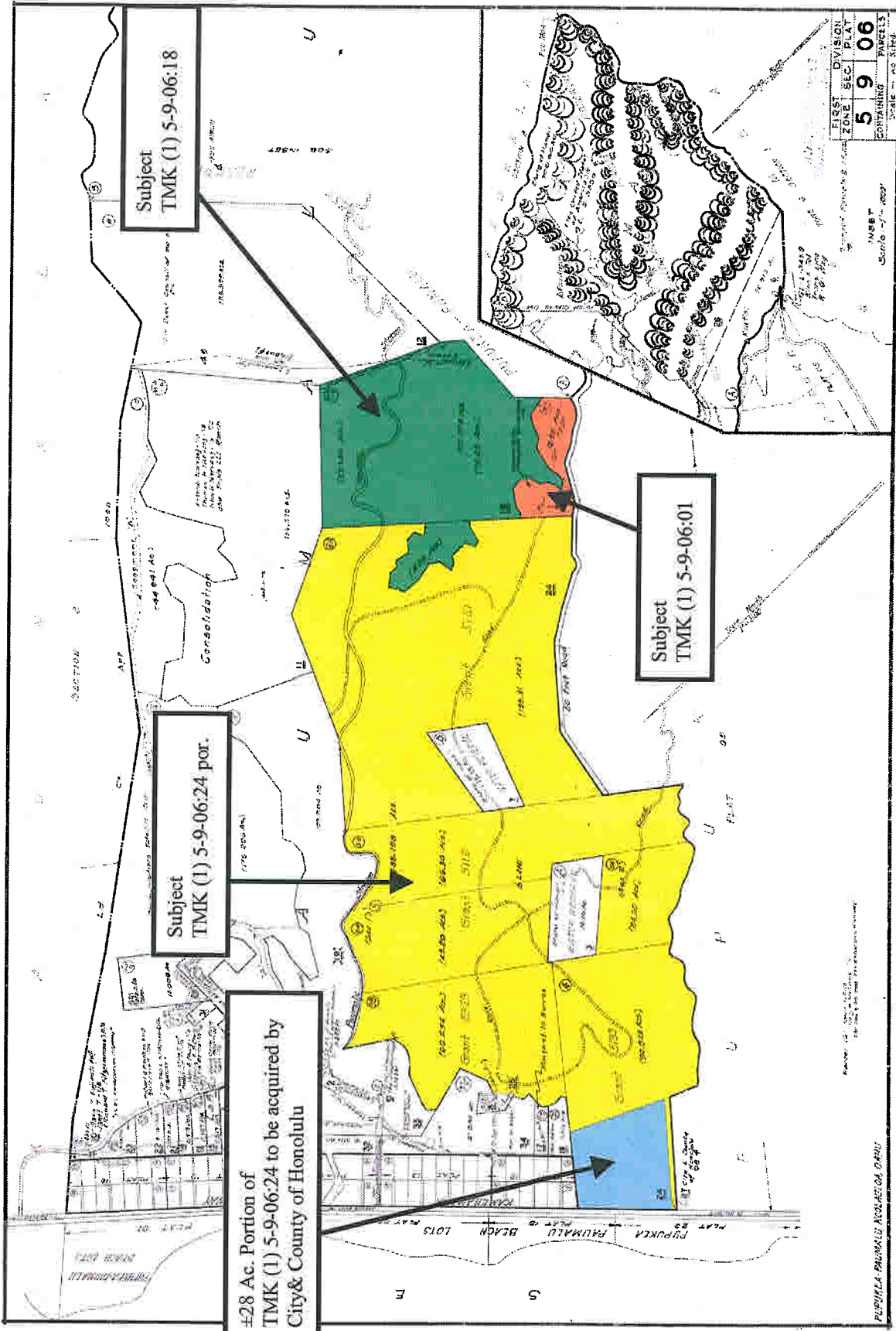


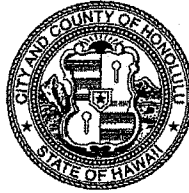
EXHIBIT A-2

PROCEEDS
 CONSIDERATION OF THE FOLLOWING:
 LOT 3-B, BEING ALL OF GRANT 3133 TO BALDWIN & WILSON;
 LOT 4, BEING ALL OF GRANT 3134 TO BERNIA & TOWNSEND;
 LOT 5-A AND 5-B, BEING ALL OF GRANT 3135 TO EDWARD E. LEONARDSON;
 LOT 6-A, BEING ALL OF GRANT 3136 TO WILSON & WILSON;
 LOT 9-A, BEING ALL OF GRANT 3137 TO WILSON & WILSON;
 LOT 21, BEING A PORTION OF GRANT 3230 TO EDWARD E. LEONARDSON;
 LOT 5 OF LAND GRANT 3230 TO EDWARD E. LEONARDSON;
 LOT 3 OF CHATEAU SUBDIVISION (THE PLAIN 1934),
 BEING PORTIONS OF
 GRANT 3137 TO EDWIN C. BRADEN;
 GRANT 3138 TO EDWIN C. BRADEN;
 GRANT 3139 TO EDWIN C. BRADEN;
 GRANT 3178 TO WESLEY W. HALEY;
 GRANT 3121 TO WM. GEORGE SIMON;
 GRANT 3172 TO W. W. STANFORD;
 AND REDEMPTIONS TO LOTS 1 AND 8
 AT ROBINSON-CORRILL MINING CO. TRACT
 THE DEED HEREIN REFERRED TO.
 WITNESSED MY HAND AND SEAL
 THIS 24th DAY OF JULY, 1935.

DEPARTMENT OF THE CORPORATION COUNSEL
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 110 • HONOLULU, HAWAII 96813
TELEPHONE: (808) 523-4859 • FAX: (808) 523-4583 • INTERNET: www.honolulu.gov

MUFI HANNEMANN
MAYOR



CARRIE K.S. OKINAGA
CORPORATION COUNSEL

DONNA M. WOO
FIRST DEPUTY CORPORATION COUNSEL

August 11, 2006

Mr. Joshua W. Stanbro
The Trust for Public Land
Hawaiian Islands Office
212 Merchant Street, Suite 320
Honolulu, Hawaii 96813

Dear Mr. Stanbro:

Re: Pupukea-Paumalu Property

We are responding to your inquiry as to whether the City and County of Honolulu could acquire its portion of the Pupukea-Paumalu Property, for which it is paying \$1 million, via Executive Order ("EO") of the Governor. We hereby reiterate our response in the negative. The City's acquisition of the makai 28-acre parcel of the Pupukea-Paumalu Property for \$1 million of General Obligation bond funds cannot be accomplished by way of an EO. The City expects that it will acquire its property interest in such land by conveyance in fee simple. We understand that the State Department of Land and Natural Resources ("DLNR") has requested a written response from the City setting forth its bases in concluding that the City requires fee-simple title. This letter shall serve that purpose.

The first question presented is whether the General Obligation bond funds of \$1 million appropriated in Ordinance 04-25 to "acquire land for a nature preserve," Project No. 2005055, Pupukea Paumalu Nature Preserve, may be legally used to acquire only the interest in the land conveyed by an EO under the provisions of Section 171-11, Hawaii Revised Statutes ("HRS"). We answer this question in the negative.

The authority for the State to set aside land under an EO is set forth in HRS Section 171-11:

The governor, with the prior approval of the board of land and natural resources, set aside public lands to any department or agency of the State, the city and county, county, or other political subdivisions of the State for public use or purpose.

EXHIBIT "C"

Mr. Joshua W. Stanbro
August 11, 2006
Page 2

Lands while so set aside for such use or purpose ... shall be managed by the department, agency, city and county, county, or other political subdivisions of the State having jurisdiction thereof....

Under the provisions of HRS Section 171-11, for land set aside by an EO, the City may issue leases, easements, licenses, etc. for such lands only as may be consistent with the purposes for which the lands were set aside as stated in the EO, and on the same terms, conditions, and restrictions applicable to the disposition of State public lands, all of which is subject to the prior approval of the Board of Land and Natural Resources ("BLNR"). Whenever such lands are not being utilized or required for the public purpose as stated in the EO, the EO shall be withdrawn and the lands shall be returned to the DLNR. The governor also has the authority to withdraw such public lands at will.

Under the provisions of HRS Section 171-11, the property interest conveyed to the City by an EO would be very limited. The City would only be authorized to "manage" such lands, and could lease or otherwise dispose of any property interest only for the limited purposes specified in the EO, only under certain conditions, and only upon approval of the BLNR. The EO would be withdrawn whenever DLNR determines that such lands are not being utilized or required for the stated public purpose, and the EO could be withdrawn at any time at will by the governor.

General Obligation bond funds can be used only "for public improvements of the county." Section 47-2, HRS, is the general law which authorizes counties, including the City, to issue general obligation bonds, within limitations, for the purposes, upon the terms and conditions, provided in Chapter 47, HRS. Under Section 47-3, HRS, general obligation bonds shall be issued "for public improvements of the county and such other purposes as may from time to time be authorized by other provisions of general law . . . , including special improvements the cost of which is assessed or assessable . . . against properties benefitted or improved by such improvements;" Except for the law relating to special assessment improvement bonds, there is no statutory provision in Hawaii which would permit the issuance of general obligation bonds for any purpose other than "public improvements of the County."

In order to expend General Obligation Bond Proceeds, the City must have a sufficient property interest in the lands acquired by such funds. In order to qualify as a "public improvement of the county," the City must either acquire the fee interest to such land, or acquire some other interest in the land over a sufficient time period to ensure that the economic value of the expenditure is realized. Since the interest conveyed by an EO is limited to a management interest, and the City would be limited

Mr. Joshua W. Stanbro
August 11, 2006
Page 3

in its use and disposition of lands set aside by an EO, and since an EO is terminable at any time, the property interest in the land acquired under an EO would be insufficient to qualify as a "public improvement of the county." The term of such a property interest must at least be for a time period that would enable the value of the property interest to be realized. We do not believe that the acquisition of a property interest that is revocable at any time can be legally financed from General Obligation Bond Proceeds.

Furthermore, the budget appropriation in Ordinance 04-25 specifically requires that the bond funds be used to "[a]cquire land for a nature preserve." We do not believe that acquiring the management and control of the property via an EO would satisfy the legal mandate of the budget appropriation to "acquire" the land. The plain language of the ordinance requires the City to "acquire" the land. Land set aside by an EO does not amount to an acquisition of the land.


Finally, the City is expending \$1 million with the full expectation that it is receiving its portion of the Pupukea-Paumalu Property in fee simple. The City must obtain a sufficient property interest for its \$1 million expenditure. An EO is not usually accompanied by substantial consideration paid by the receiving entity. The City does not believe that the limited property interest transferred by an EO amounts to an adequate quid pro quo for its \$1 million expenditure.

We understand that the subject transaction would be much easier if the City's portion was set aside by way of an EO. However, we believe that the legal and economic impediments to the same are prohibitive. As such, we cannot legally support the expenditure of General Obligation bond funds in the amount of \$1 million to acquire the subject land by EO.

Very truly yours,


DON S. KITAOKA
Deputy Corporation Counsel

APPROVED:


CARRIE K. S. OKINAGA
Corporation Counsel

DSK:ek

MIS-PUPUKEA-PAUMALU.DSK

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

FEB 23 2006

PETER T. YOUNG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
DEPUTY DIRECTOR

DEAN NAKANO
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

MEMORANDUM:

TO: The Honorable Linda Lingle
Governor of Hawaii

THROUGH: Honorable Georgina Kawamura
Director of Finance

FROM: Peter T. Young, Chairperson
Board of Land and Natural Resources

SUBJECT: Release of Funds and Permission to Negotiate Purchase of Land for
Pupukea-Paumalu, Oahu, Job No. 500CO35A, as Authorized by Act 200,
SLH 2003, as Amended by Act 41, SLH 2004.

We respectfully request the release of \$1,000,000 in general obligation bond funds and permission to negotiate the land acquisition of Pupukea-Paumalu, Oahu.

This project will acquire 1,129 acres of private lands for a set aside to the Department of Land and Natural Resources, Division of State Parks for a park reserve that promotes preservation of the open space and provides public recreation. A 30-acre portion of this land area will be set aside to the City and County of Honolulu as an addition to Sunset Beach Park. The subject site is identified as TMKs (1) 5-9-05: 38, 82 and 5-9-06: 01, 18, 24. Acquisition of the parcels and the subsequent set aside will preserve a tract of undeveloped land along the *mauka* side of Kamehameha Highway within a rapidly developing residential section of the North Shore of Oahu.

The value of the property is estimated to be \$7,950,000. This request consists of an allotment of \$1,000,000 in land funds that will be used to match the \$688,891 in federal funds from the Land and Water Conservation Fund (LWCF) program. Other funding sources include \$1,000,000 from the City and County of Honolulu, \$2,400,000 in grant funds from the U.S. Army, \$2,000,000 in grant funds from the National Oceanic & Atmospheric Administration (NOAA) Conservation and Estuarine Land Conservation Program (CELCP), and the balance of \$861,109 from the Trust for Public Land, the North Shore Community Land Trust, and private contributions.

State funds totaling \$1,000,000 have been appropriated by Act 200, SLH 2003, as amended by Act 41, SLH 2004.

EXHIBIT "D"

The Honorable Linda Lingle
Acquisition of Pupukea-Paumalu
Page 2

FEB 23 2006

The State Parks Administrator certifies that there are adequate funds available and this project will comply with all applicable codes and land use designations.

Your favorable and early consideration of this request will be greatly appreciated. If there are any questions, please have your staff call Daniel Quinn of the Division of State Parks at 587-0290 or Martha Yent, State Parks LWCF Coordinator, at 587-0287.

Attachments

cc: DLNR, Fiscal Office
DLNR, Land Division


RECOMMEND:



APPROVAL



DISAPPROVAL


Director of Finance

3/17/06

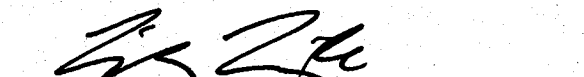
Date



APPROVED



DISAPPROVED


LINDA LINGLE
Governor, State of Hawaii

4/3/06

Date

LINDA LINGLE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

March 7, 2006

PETER T. YOUNG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

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ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

06.0370712

MEMORANDUM

TO: The Honorable Linda Lingle
Governor of Hawaii

THROUGH: Honorable Georgina Kawamura
Director of Finance

FROM: Peter T. Young, Chairperson
Board of Land and Natural Resources

SUBJECT: Request for Approval to Apply for and Expend Federal Grant (Non-appropriated Federal Funds) for Land Acquisition at Pupukea-Paumalu, Oahu

We respectfully request your approval to apply for and expend \$2,666,891 in federal funds for land acquisition at Pupukea-Paumalu, Oahu.

This project will acquire 1,129 acres of private lands for a set aside to the Department of Land and Natural Resources, Division of State Parks for a park reserve that promotes preservation of the open space and provides public recreation. A 30-acre portion of this land area will be set aside to the City and County of Honolulu as an addition to Sunset Beach Park. The subject site is identified as TMKs (1) 5-9-05:38, 82 and 5-9-06: 01, 18, 24. Acquisition of the parcels and the subsequent set aside will preserve a tract of undeveloped land along the *mauka* side of Kamehameha Highway within a rapidly developing residential section of the North Shore of Oahu.

The acquisition project is a partnership which includes federal, state, and county, as well as private sector participation. The total value of the property is \$7,950,000. This request is to allow the State's expenditure of \$2,666,891 in federal grant funds, consisting of \$1,978,000 from the National Oceanic and Atmospheric Administration (NOAA) Conservation and Estuarine Conservation Program and \$688,891 from the Land and Water Conservation Fund (LWCF) program. Other funding sources include \$1,000,000 in State CIP (appropriated by Act 200, SLH 2003 as amended by Act 41, SLH 2004), \$1,000,000 from the City and County of Honolulu, \$2,400,000 in grant funds from the U.S. Army, and the balance from the Trust for Public Land, the North Shore County Land Trust and private contributions.

EXHIBIT "E"

The Honorable Linda Lingle

March 7, 2006

Page 2

Subject: Request for Federal Grants for Pupukea-Paumalu, Oahu

As allowed by Section 129 of Act 200, SLH 2003, as amended by Act 41, SLH 2004, the Governor may approve the expenditure of federal funds. In this case, there is no existing authorization.

Your favorable and early consideration of this request will be greatly appreciated. If there are any questions, please have your staff call Daniel Quinn, Division of State Parks at 587-0290.

cc: DLNR, Fiscal Office
DLNR, Land Division


RECOMMENDED:

☒

APPROVAL

☐

DISAPPROVAL



Director of Finance

3/17/06

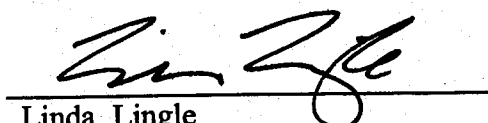
Date

☒

APPROVED

☐

DISAPPROVED



Linda Lingle
Governor, State of Hawaii

4/3/06

Date